



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 6/23/2004

GAIN Report Number: ID4019

Indonesia

Livestock and Products

Ruminant Products Import Ban Clarified 2004

Approved by:

Chris Rittgers
U.S. Embassy, Jakarta

Prepared by:

Rosida Nababan

Report Highlights:

On June 21, 2004, the Director General of Livestock Services, Ministry of Agriculture, issued a Circulatory Notice that provides more details and conditions with respect to Indonesia's lifting the ban on ruminant products last May 31, 2004. A more defined and narrowed list of products allowed to enter is provided and a deadline for shipping is set.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Jakarta [ID1]
[ID]

ISSUE

On June 21, 2004, the Director General of Livestock, Indonesian Ministry of Agriculture (MOA) issued a circulation letter that defined a more detailed list of products allowed to enter Indonesia, and established a shipment date for allowing imports. This letter was a follow-up to the more general announcement that removed the ban on ruminant products last 31st of May 2004 (GAIN report ID#4018).

In the past three weeks since the ban was lifted, the Ministry of Agriculture has held a series of meetings with various groups to discuss the issue. This decision was taken after considering input from the MOA's Emergency Committee Team, Ministry of Health Officials, local academics, and also the local Cattle Feeders Association. The letter also states that this decision was partially based on results from the General Session of the 27th of OIE meeting in Paris last May 2004.

The decision states as follows:

1. Some ruminant products from the United States were approved to enter the country starting in May 31, 2004.
2. The products allowed can only be shipped from the United States after May 31, 2004, which will be determined by the Bill of Lading date.
3. Only direct shipments from the United States to Indonesia will be allowed. If trans-shipments occur, the third-country point of transit must be identified in the importers' requests to obtain an import permit.
4. The list of products allowed and not allowed to enter are defined as follows:

a) Low risk products: approved to enter:

1. deboned meat (except mechanically deboned or recovered Meat)
2. Embryos
3. Semen
4. Liver and hearts
5. deboned lower legs

b) High risk products: which are still banned from entering:

1. Live Ruminants (goat, cow and sheep)
2. Products from Ruminants origin:
 - a. bones
 - b. fetal bovine serum,
 - c. guts, bladders,
 - d. meat juice/extract,
 - e. all Specified Risk Material (SRM), such as: brains, eyes, spinal cord, tonsils, thymus, spleen, intestine, dorsal root ganglia, trigeminal ganglia, vertebral column, protein products, **meat and bone meal**, greaves, any feeds derived from ruminants.
 - f. blood meal
 - g. tankage
 - h. fat and products
 - i. gelatin
 - j. collagen made from bones
 - k. tallow that contains protein.

Background: Indonesian Situation

On December 24, 2003, MOA issued an official statement banning imports of U.S. meat as of that date, but made exceptions for products in-transit with B/Ls prior to 24 December. With that action, only two countries remained eligible to export beef to Indonesia: Australia and New Zealand. In recent weeks, importers, retailers, and restaurant owners had noted that these restrictions had limited supply and affected prices. In addition, recent media reports had suggested that a significant amount of meat was entering Indonesia illegally, which some suggested was also being caused by the few alternative sources of imported beef.

U.S. beef has a relatively minor share in Indonesia's beef import market, which is dominated by Australia. In 2003, total meat and variety meat imports totaled \$15 million. However, Indonesia is an extremely important market for U.S. exporters of offal, particularly livers and hearts.

F:\GAIN\FINAL GAIN Reports\DLP\Volrmvbanbeef1.doc